

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB222

Hearing Date: Wednesday February 08, 2017
Committee On: Government, Military and Veterans Affairs
Introducer: Stinner
One Liner: Change membership and provide, change, and eliminate powers and duties of the Nebraska Tourism Commission

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Brewer, Briese, Craighead, Hilgers, Lowe, Murante, Wayne
Nay:	1	Senator Blood
Absent:		
Present Not Voting:		

Verbal Testimony:

Proponents:

Senator John Stinner
Todd Kirshenbaum

Keith Backsen
Scott Merritt

Opponents:

Neutral:

Representing:

Introducer
Nebraska Travel Association/Seward County Visitors
Committee
Visit Omaha
Nebraska Hotel & Lodging Association

Representing:

Representing:

Summary of purpose and/or changes:

LB 222 makes numerous changes to the Nebraska Visitors Development Act. The substantive changes begin in section 2.

Section 2 amends 81-3702 to make clear that promoting Nebraska as a tourism destination and increasing the number of visitors to the state are purposes of the Tourism Commission.

Section 4 is a new section. It defines the "tourism industry" as including any person or other entity, whether for-profit or nonprofit, that promotes an activity, an event, or a site which attracts both instate and out-of-state visitors, including, but not limited to:

- a chamber of commerce
 - a convention
 - a visitors bureau
 - the hospitality industry
 - the food and beverage industry
 - the hotel industry
 - a passenger transportation provider
 - any business or organization engaged in recreational, historical, cultural, artistic, or entertainment pursuits
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- any person who owns or operates any such activity, event, or site

Section 5 changes the composition and terms of the Nebraska Tourism Commission.

First, it causes all of the terms of the current Tourism Commissioners to expire 30 days after the effective date of the act.

Second, it expands the Commission from 7 to 11 members.

Third, it requires that 4 of those members must have professional, volunteer, or public service experience that contributes to the fiduciary and governance duties of the commission. The other 7 members must be affiliated with the tourism industry.

Fourth, it requires that one member be from each of the 11 Tourism Commission Districts, and defines those districts. It also provides for the staggering of terms between the districts and sets the term of office at 4 years.

- District 1 is Douglas County

- District 2 is Lancaster County

- District 3 is the counties of Richardson, Pawnee, Nemaha, Johnson, Otoe, Gage, Saline, and Jefferson

- District 4 is Cass and Sarpy Counties

- District 5 is the counties of Saunders, Washington, Dodge, Colfax, Stanton, Cumin, Burt, Thurston, Wayne, Cedar, Dixon, and Dakota

- District 6 is counties of Butler, Polk, Platte, Merrick, Nance, Boone, Madison, Pierce, Antelope, Knox, Holt, and Boyd

- District 7 is the counties of Thayer, Nuckolls, Webster, Adams, Clay, Fillmore, Seward, York, Hamilton, Franklin, and Harlan

- District 8 is the counties of Kearney, Phelps, Hall, Howard, Greeley, Wheeler, Buffalo, Sherman, Valley, and Garfield

- District 9 is the counties of Lincoln, Keya Paha, Rock, Brown, Loup, Blaine, Custer, Logan, McPherson, Arthur, Grant, Hooker, Thomas, and Cherry

- District 10 is the counties of Furnas, Red Willow, Hitchcock, Dundy, Chase, Hayes, Frontier, Gosper, Dawson, Perkins, and Keith

- District 11 is the counties of Deuel, Garden, Sheridan, Cheyenne, Morrill, Box Butte, Dawes, Sioux, Scotts Bluff, Banner, and Kimball

Section 6 gives the Tourism Commission 5 additional duties.

First, it must adopt and promulgate rules and regulations to carry out the Nebraska Visitors Development Act.

Second, it must develop and administer a program to provide promotional services, technical assistance, and state aid to local governments and the tourism industry.

Third, it must establish written policies and procedures governing the executive director and the personnel of the commission in the expenditure and use of funds appropriated to the commission.

Fourth, it must cooperate with federal, state, and local governments and private individuals and organizations to carry out any of the functions of the commission and purposes of the Nebraska Visitors Development Act.

Fifth, it must actively coordinate and develop working partnerships with other state agencies, including, but not limited to, the Commission on Indian Affairs, the Department of Economic Development, the Game and Parks Commission, the Nebraska Arts Council, the Nebraska State Historical Society, and the University of Nebraska.

Section 8 redefines what must be contained in the Commission's strategic plan. The plan must include:

- A review of revenue in the State Visitors Promotion Cash Fund available for tourism development at the state level
- An examination of best management practices for the tourism industry
- Marketing strategies for promoting tourism
- Methods to expand existing tourism capacity
- Recommended strategies to provide technical assistance, marketing services, and state aid to local governments and the tourism industry in Nebraska

Section 10 subjects all contracts entered into by the Commission to the bidding process contained in sections 73-501 to 73-510, and requires the Commission to comply with all rules, regulations, procedures, and guidelines established by the Department of Administrative Services for contracts.

Section 11 divests the Commission of its joint authority with the Tax Commissioner to carry out the Nebraska Visitors Development Act. It gives sole authority to the Tax Commissioner to collect lodging taxes under that Act.

Section 12 changes the Commission's grant giving authority by establishing two different categories of grants with different requirements. It also charges the Commission with promulgating rules and regulations governing the grants.

The first category is a marketing assistance grant. A community or organization can apply for these grants if they are hosting national or international-caliber events in Nebraska that have the potential to attract a significant percentage of out of state visitors and generate favorable national or international press.

The second category is an innovative tourism grant. The grants are available to communities or organizations that provide tourism and visitor promotion services, host events, or promote attractions which result in either an increased number of nonlocal, instate visitors or an increased number of both nonlocal, instate visitors and out of state visitors. Innovative tourism grants may include marketing assistance, planning assistance, basic support, and regional cooperation, but shall not be used for equipment or capital facility development or improvements.

John Murante, Chairperson